


How to Pitch Your Business Idea

This post was adapted from [a presentation](#) by Rhett Power, an entrepreneur and leadership expert. To learn more about Power, visit his website at RhettPower.com.

So you have a great idea and need some money to start a company? Well, so does the rest of the world! If you're going to get that money, you'll have to have the perfect pitch. For many entrepreneurs, having the perfect pitch is a big challenge, as they struggle to communicate their message to people outside of the business in a clear and comprehensible way. Here's how to nail it:

- **Practice your story** with a timer next to you so you know how much time to spend. It's terrible to be in the middle of your story and then suddenly realize that you have only one minute left to go through four slides. The only way to prevent this is to practice.
- **Watch yourself.** Borrow, rent or buy a video camera and tape your presentation. Watch yourself to see how you can improve. This does miracles for your presentation.
- **Test your story.** Call your mother and explain your story over the phone. If she gets it, you are ready to talk to your investors. If she doesn't get it, go back to the drawing board.
- **Have answers to key questions beforehand.** Who is your audience? What is your marketing plan? How much money do you need? What percentage of your company will you give away for investment? These are all questions investors will ask, and you must be ready to answer them.
- **Don't bluff, lie or make things up.** Other things you shouldn't say: "Our exit strategy is an IPO or acquisition by Google," "We don't have any competitors," and "This is a sure thing."
- **Be prepared for anything.** Travel to your presentation location the day before so you know where it is and you won't get lost. Arrive early and inspect the conference room. Use the restroom before the meeting.
- **Do your homework.** Research each potential investor so you know if they have kids, play football, like to ski and if they are male or female, tall or short, fat or thin and might be interested in your company or not based on earlier investments. Find out what their latest successful deal was and congratulate them on it.

An emerging entrepreneur presents his media company, Vinylmint, at the 2012 DEMO  Conference. (Stephen Brashear)

The purpose of a pitch is to get interest in your business so you can get a second meeting. You won't be able to cover every aspect of your business in the short time you have, so what you do say has to have an impact. Here are some key elements your pitch should have:

- **Problem/Opportunity:** What is the problem you are going to solve? What is the joy you will bring to your customer's life?
- **Value proposition:** How does your product or service solve a problem?
- **Product:** What is the product or service and what makes it magic?
- **Business model:** How will you get your customer to buy this product and how will you then deliver it?

- **Marketing plan:** Who are your customers and how will you reach them?
- **Competitive landscape:** Who are your major competitors? What are they doing? How are you different?
- **Management team:** Who are your people? Why are they the right fit for the company?
- **Financial projections:** What will your company's budget look like for the next three years?
- **Current status:** What have you accomplished so far? How have you used funding to date and how you will use the money you are trying to raise?

Want to know more about pitching? Check out the lesson [Pitching Your Business Ideas for Investment](#), part of the [YALI Network Online Courses](#).
